UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2024

OR

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 001-07172

BRT APARTMENTS CORP.
(Exact name of Registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization)	**13-2755856** (I.R.S. Employer Identification No.)
60 Cutter Mill Road, Great Neck, NY (Address of principal executive offices)	**11021** (Zip Code)

516-466-3100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	BRT	NYSE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Date File required to be submitted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer" "accelerated filer", "smaller reporting company"and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of stock, as of the latest practicable date.

18,767,172 Shares of Common Stock,
par value $0.01 per share, outstanding on August 1, 2024

BRT APARTMENTS CORP. AND SUBSIDIARIES
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Explanatory Note

Unless otherwise indicated or the context otherwise requires, all references to (i) “us”, “we”, “BRT” or the “Company” refer to BRT Apartments Corp. and its consolidated and unconsolidated subsidiaries; (ii) "acquisitions" include investments in and by unconsolidated joint ventures; and (iii) "same store properties" refer to properties that we owned and operated for the entirety of the periods being compared, except for properties that are under construction, in lease-up, or are undergoing development or redevelopment. We move properties previously excluded from our same store portfolio (because they were under construction, in lease up or are in development or redevelopment) into the same store designation once they have stabilized (as described below) and such status has been reflected fully in all quarters during the applicable periods of comparison. Newly constructed, lease-up, development and redevelopment properties are deemed stabilized upon the earlier to occur of the first full calendar quarter beginning (a) 12 months after the property is fully completed and put in service and (b) attainment of at least 90% physical occupancy.

Item 1. Financial Statements

BRT APARTMENTS CORP. AND SUBSIDIARIES
`CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except per share data)

	June 30, 2024 (unaudited)	December 31, 2023 (audited)
ASSETS		
Real estate properties, net of accumulated depreciation and amortization of $93,400 and $80,499	$ 626,291	$ 635,836
Investments in unconsolidated joint ventures	32,178	34,242
Cash and cash equivalents	18,946	23,512
Restricted cash	568	632
Other assets	16,730	15,741
Total Assets	$ 694,713	$ 709,963
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages payable, net of deferred costs of $3,584 and $4,009	$ 421,250	$ 422,427
Junior subordinated notes, net of deferred costs of $247 and $257	37,153	37,143
Credit facility	—	—
Accounts payable and accrued liabilities	21,636	21,948
Total Liabilities	480,039	481,518
Commitments and contingencies		
Equity:		
BRT Apartments Corp. stockholders' equity:		
Preferred shares $0.01 par value 2,000 shares authorized, none outstanding	—	—
Common stock, $0.01 par value, 300,000 shares authorized; 17,748 and 17,536 shares outstanding	177	175
Additional paid-in capital	268,382	267,271
Accumulated deficit	(53,821)	(38,986)
Total BRT Apartments Corp. stockholders' equity	214,738	228,460
Non-controlling interest	(64)	(15)
Total Equity	214,674	228,445
Total Liabilities and Equity	$ 694,713	$ 709,963

See accompanying notes to consolidated financial statements.

BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Amounts in thousands, except shares and per share data)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues:				
Rental and other revenue from real estate properties	$ 23,778	$ 23,255	$ 47,076	$ 46,194
Interest and other income	84	63	189	63
Total revenues	23,862	23,318	47,265	46,257
Expenses:				
Real estate operating expenses - including $8 and $10 to related parties for the three months ended and $17 and $16 for the six months ended	10,846	10,548	21,425	20,982
Interest expense	5,500	5,513	11,023	10,996
General and administrative - including $141 and $165 to related parties for the three months ended and $361 and $337 for the six months ended	3,813	3,848	7,965	7,903
Depreciation and amortization	6,466	7,543	12,901	15,551
Total expenses	26,625	27,452	53,314	55,432
Total revenues less total expenses	(2,763)	(4,134)	(6,049)	(9,175)
Equity in earnings of unconsolidated joint ventures	389	464	617	1,279
Equity in earnings from sale of unconsolidated joint ventures properties	—	14,744	—	14,744
Insurance recovery of casualty loss	—	215	—	215
Gain on insurance recoveries	—	—	—	240
(Loss) income from continuing operations	(2,374)	11,289	(5,432)	7,303
Income tax (benefit) provision	(65)	51	13	127
(Loss) income from continuing operations, net of taxes	(2,309)	11,238	(5,445)	7,176
Net income attributable to non-controlling interest	(36)	(36)	(71)	(72)
Net (loss) income attributable to common stockholders	$ (2,345)	$ 11,202	$ (5,516)	$ 7,104
Weighted average number of shares of common stock outstanding:				
Basic	17,737,452	18,155,062	17,681,514	18,110,508
Diluted	17,737,452	18,220,814	17,681,514	18,157,804
Per share amounts attributable to common stockholders:				
Basic	$ (0.13)	$ 0.59	$ (0.30)	$ 0.37
Diluted	$ (0.13)	$ 0.58	$ (0.30)	$ 0.37

See accompanying notes to consolidated financial statements.

BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(Dollars in thousands, except per share data)

	Shares of Common Stock	Additional Paid-In Capital	(Accumulated Deficit)	Non- Controlling Interest	Total
Balances, December 31, 2023	$ 175	$ 267,271	$ (38,986)	$ (15)	$ 228,445
Distributions - common stock - $0.25 per share	—	—	(4,641)	—	(4,641)
Restricted stock and restricted stock units vesting	2	(2)	—	—	—
Compensation expense - restricted stock and restricted stock units	—	1,342	—	—	1,342
Distributions to non-controlling interests	—	—	—	(60)	(60)
Shares issued through DRIP	—	931	—	—	931
Shares repurchased	(1)	(2,266)	—	—	(2,267)
Net loss	—	—	(3,171)	35	(3,136)
Balances, March 31, 2024	$ 176	$ 267,276	$ (46,798)	$ (40)	$ 220,614
Distributions - common stock - $0.25 per share	—	—	(4,678)	—	(4,678)
Restricted stock and restricted stock units vesting	1	(1)			—
Compensation expense - restricted stock and restricted stock units	—	1,090	—	—	1,090
Distributions to non-controlling interests	—	—	—	(60)	(60)
Shares issues through DRIP	1	946	—	—	947
Shares repurchased	(1)	(929)	—	—	(930)
Net loss	—	—	(2,345)	36	(2,309)
Balances, June 30, 2024	$ 177	$ 268,382	$ (53,821)	$ (64)	$ 214,674

See accompanying notes to consolidated financial statements.

BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(Dollars in thousands, except per share data)

	Shares of Common Stock	Additional Paid-In Capital	(Accumulated Deficit)	Non- Controlling Interest	Total
Balances, December 31, 2022	$ 180	$ 273,863	$ (23,955)	$ (18)	$ 250,070
Distributions - common stock - $0.25 per share	—	—	(4,847)	—	(4,847)
Restricted stock and restricted stock units vesting	2	(2)	—	—	—
Compensation expense - restricted stock and restricted stock units	—	1,410	—	—	1,410
Shares issued through DRIP	—	763	—	—	763
Net income	—	—	(4,098)	36	(4,062)
Balances, March 31, 2023	$ 182	$ 276,034	$ (32,900)	$ 18	$ 243,334
Distributions - common stock - $0.25 per share	—	—	(4,816)	—	(4,816)
Compensation expense - restricted stock and restricted stock units	—	1,193	—	—	1,193
Distributions to non-controlling interests	—	—	—	(37)	(37)
Shares issued through DRIP	—	670	—	—	670
Shares repurchased	(3)	(5,833)	—	—	(5,836)
Net income	—	—	11,202	36	11,238
Balances, June 30, 2023	$ 179	$ 272,064	$ (26,514)	$ 17	$ 245,746

See accompanying notes to consolidated financial statements

BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in Thousands)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities:		
Net (loss) income	$ (5,445)	$ 7,176
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	12,901	15,551
Amortization of deferred financing costs	542	527
Amortization of debt fair value adjustment	282	311
Amortization of deferred rent concessions	(413)	—
Amortization of restricted stock and restricted stock units	2,432	2,603
Equity in earnings of unconsolidated joint ventures	(617)	(1,279)
Equity in earnings from sale of unconsolidated joint venture properties	—	(14,744)
Increases and decreases from changes in other assets and liabilities:		
Increase in other assets	(1,727)	(2,570)
Decrease in accounts payable and accrued liabilities	(361)	(1,229)
Net cash provided by operating activities	7,594	6,346
Cash flows from investing activities:		
Improvements to real estate properties	(3,356)	(4,824)
Distributions from unconsolidated joint ventures	2,847	23,191
Contributions to unconsolidated joint ventures	(166)	(122)
Net cash (used in) provided by investing activities	(675)	18,245
Cash flows from financing activities:		
Proceeds from mortgages payable	—	21,173
Mortgage principal payments	(1,885)	(1,621)
Repayment of credit facility	—	(19,000)
Increase in deferred financing costs	—	(683)
Dividends paid	(9,270)	(9,521)
Distributions to non-controlling interests	(120)	(37)
Proceeds from issuance of DRIP shares	1,878	1,433
Repurchase of shares of common stock	(3,197)	(5,836)
Net cash used in financing activities	(12,594)	(14,092)
Net (decrease) increase in cash, cash equivalents, restricted cash and escrows:	(5,675)	10,499
Cash, cash equivalents, restricted cash and escrows at beginning of period	31,775	27,721
	$ 26,100	$ 38,220
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest expense	$ 10,270	$ 10,176
Cash paid for income taxes and excise taxes	$ 52	$ 698

See accompanying notes to consolidated financial statements

BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in Thousands)

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows.

	June 30,	
	2024	**2023**
Reconciliation of cash and cash equivalents and restricted cash:		
Cash and cash equivalents	$ 18,946	$ 31,336
Restricted cash	568	830
Escrows (Other assets)	6,586	6,054
Total cash, cash equivalents, restricted cash and escrows shown in consolidated statement of cash flows	$ 26,100	$ 38,220

BRT APARTMENTS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
June 30, 2024

Note 1 – Organization and Background

BRT Apartments Corp. (the "Company" or "BRT"), a Maryland corporation, owns, operates and, to a lesser extent, holds interests in joint ventures that own multi-family properties. The Company conducts its operations to qualify as a real estate investment trust, or REIT, for federal income tax purposes.

These multi-family properties may be wholly owned by the Company (including its consolidated subsidiaries) or by unconsolidated joint ventures in which the Company generally contributed a significant portion of the equity. At June 30, 2024, the Company: (i) wholly owns 21 multi-family properties located in 11 states with an aggregate of 5,420 units and a carrying value of $624,502,000; (ii) has interests, through unconsolidated entities, in eight multi-family properties located in four states with an aggregate of 2,527 units with a carrying value of $32,178,000; and (iii) owns other assets, through consolidated and unconsolidated subsidiaries, with a carrying value of $1,789,000. These 29 multi-family properties are located in 11 states; most of the properties are located in the Southeast United States and Texas.

Note 2 – Basis of Preparation

The accompanying interim unaudited consolidated financial statements, reflect all normal recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the results for such interim periods. The results of operations for the three and six months ended June 30, 2024 and 2023, are not necessarily indicative of the results for the full year. The consolidated audited balance sheet as of December 31, 2023, has been derived from the audited financial statements at that date but does not include all the information and footnotes required by accounting principles generally accepted in the United States ("GAAP"). Accordingly, these unaudited statements should be read in conjunction with the Company's audited financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report") filed with the Securities and Exchange Commission ("SEC").

The consolidated financial statements include the accounts and operations of the Company and its wholly-owned subsidiaries.

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting. For each venture, the Company evaluated the rights provided to each party in the venture to assess the consolidation of the venture. All investments in unconsolidated joint ventures have sufficient equity at risk to permit the entity to finance its activities without additional subordinated financial support and, as a group, the holders of the equity at risk have power through voting rights to direct the activities of these ventures. As a result, none of these joint ventures are variable interest entities ("VIEs"). Additionally, as determined in accordance with GAAP, the Company does not exercise substantial operating control over these entities, and therefore the entities are not consolidated. These investments are recorded initially at cost, as investments in unconsolidated joint ventures, and subsequently adjusted for their share of equity in earnings, cash contributions and distributions. The distributions to each joint venture partner are determined pursuant to the applicable operating agreement and may not be pro-rata to the percentage equity interest each partner has in the applicable venture.

The joint venture that owns a property in Yonkers, New York, was determined not to be a VIE but is consolidated because the Company has controlling rights in such entity.

The Company reviews each real estate asset owned, including those held through investments in unconsolidated joint ventures, for impairment when there is an event or a change in circumstances indicating that the carrying amount may not be recoverable. The Company measures and records impairment charges, and reduces the carrying value of owned properties, when indicators of impairment are present and the expected undiscounted cash flows related to those properties are less than their carrying amounts. For its unconsolidated joint venture investments, the Company measures and records impairment losses, and reduces the carrying value of the equity investment when indicators of impairment are present and the expected discounted cash flows related to the investment is less than the carrying value. When the Company does not expect to recover its carrying value on properties held for use, the Company reduces its carrying value to fair value, and for properties held for sale, the Company reduces its carrying value to the fair value less costs to sell. When the Company does not expect to recover its carrying value on unconsolidated joint ventures that are under contract for sale, the Company, when it is determined that the sale is probable, reduces its carrying value to its fair value.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Actual results could differ from those estimates. Substantially all of the Company's assets are comprised of multi- family real estate assets generally leased to tenants on a one-year basis. Therefore, the Company aggregates real estate assets for reporting purposes and operates in one reportable segment.

The Company's Chief Operating Decision Makers ("CODMs") are its Chief Executive Officer and Chief Operating Officer. As the Company operates in one reportable segment, the CODMs are provided financial reports which include a (i) consolidated income statement (detailing total revenues, operating income and net income) and (iii) Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO"). These financial reports assist the CODMs in assessing the Company's financial performance and in allocating resources appropriately.

Reclassifications

Immaterial Error Correction

During the preparation of financial statements for the current period, it was determined that the Company was not correctly including the escrow accounts classified within other assets within cash flows from operating activities on the Consolidated Statements of Cash Flows. As a result, the Company made an immaterial error correction to the prior period to reclassify the escrows within Cash and Restricted Cash on the Statement of Cash Flows resulting in a decrease in net cash from operating activities of $514,000.

Note 3 - Equity

Equity Distribution Agreements

The Company has equity distribution agreements with three sales agents to sell up to $40,000,000 of its common stock from time-to-time in an at-the-market offering. During the three and six months ended June 30, 2024 and 2023, the Company did not sell any shares.

Common Stock Dividend Distribution

The Company declared a quarterly cash distribution of $0.25 per share, payable on July 9, 2024 to stockholders of record on June 25, 2024.

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (the "DRP"), among other things, provides stockholders with the opportunity to reinvest all or a portion of their cash dividends paid on the Company's common stock in additional shares of its common stock, at a discount, determined in the Company's sole discretion, of up to 5% from the market price for the common stock (as such price is calculated pursuant to the DRP). The discount from the market price is currently 3%. During the three and six months ended June 30, 2024, 57,901 and 108,852 shares were issued in lieu of cash dividends of $947,000 and $1,878,000 respectively. During the three and six months ended June 30, 2023, 35,634 and 75,852 shares were issued in lieu of cash dividends of $670,000 and $1,433,000, respectively.

Stock Based Compensation

In June 2024, the Company's stockholders approved the 2024 Incentive Plan (the "2024 Plan"). This plan permits the Company to grant: (i) stock options, restricted stock, restricted stock units, performance shares awards and any one or more of the foregoing, for up to a maximum of 1,000,000 shares; and (ii) cash settled dividend equivalent rights in tandem with the grant of restricted stock units and certain performance based awards. As of June 30, 2024, (i) 1,000,000 shares are available for issuance pursuant to awards under the 2024 Plan and (ii) awards to acquire 1,387,398 shares of common stock (*i.e.*, 962,229 shares of restricted stock and awards (*i.e.,* restricted stock units) to acquire 425,169 shares under our pay for performance plans), are outstanding under the 2022 Amended and Restated Incentive Plan (the "2022 Plan"), the 2020 Amended and Restated Incentive Plan (the "2020 Plan"), and the 2018 Amended and Restated Incentive Plan (the "2018 Plan; and together with the 2020 Plan and the 2022 Plan, the "Prior Plans"). No further awards may be made pursuant to the Prior Plans.

Restricted Stock Units

In July 2024, the Company issued restricted stock units (the "RSUs") to acquire up to 215,325 shares of common stock pursuant to the 2024 Plan. As of June 30, 2024, an aggregate of 425,169 of unvested restricted stock units are outstanding pursuant to the Prior Plans. Generally, the RSUs entitle the recipients, subject to continued service through the three-year vesting period to receive (i) the underlying shares if and to the extent certain performance and/or market conditions are satisfied at the vesting date, and (ii) an amount equal to the cash dividends that would have been paid during the three-year performance period with respect to the shares of common stock underlying the RSUs if, when, and to the extent, the related RSUs vest. The shares underlying the RSUs are not participating securities but are contingently issuable shares.

On May 6, 2024, the compensation committee of the Company's board of directors approved the vesting and issuance of 123,384 shares of common stock subject to RSUs (of the 209,322 shares subject to RSUs) granted in 2021 and the payout of $359,000 pursuant to the related dividend equivalent rights. The balance of 85,938 RSUs granted in 2021 that did not vest have expired.

Expense is recognized on the RSUs which the Company expects to vest over the applicable vesting period. For the three months ended June 30, 2024 and 2023, the Company recorded $231,000 and $369,000, respectively and for the six months ended June 30, 2024 and 2023, the Company recorded $703,000 and $883,000, respectively of compensation expense related to the amortization of unearned compensation with respect to the RSUs issued under the Prior Plans. At June 30, 2024 and December 31, 2023, $1,296,000 and $1,999,000 of compensation expense, respectively, has been deferred and will be charged to expense over the remaining vesting periods.

Restricted Stock

In January 2024, the Company granted 166,439 shares, of restricted stock pursuant to the 2022 Plan. As of June 30, 2024, an aggregate of 962,229 shares of unvested restricted stock are outstanding pursuant to the 2024 Plan and Prior Plans. The shares of restricted stock vest five years from the date of grant and under specified circumstances, including a change in control, may vest earlier. For financial statement purposes, the restricted stock is not included in the outstanding shares shown on the consolidated balance sheets until they vest, but is included in the earnings per share computation.

For the three months ended June 30, 2024 and 2023, the Company recorded $859,000 and $824,000, respectively and for the six months ended June 30, 2024 and 2023, the Company recorded $1,729,000 and $1,720,000, of compensation expense related to the amortization of unearned compensation with respect to the restricted stock awards. At June 30, 2024 and December 31, 2023, $8,844,000 and $7,484,000, respectively, has been deferred as unearned compensation and will be charged to expense over the remaining vesting periods of these restricted stock awards. The weighted average remaining vesting period of these shares of restricted stock is 2.5 years.

Share Repurchase

Pursuant to the Company’s repurchase program, as amended from time to time, the Company is authorized to repurchase shares of its common stock through open-market transactions, privately negotiated transactions, or otherwise.

During the three months ended June 30, 2024, the Company repurchased 53,619 shares of common stock at an average price per share of $17.34 for an aggregate cost of $930,000. During the six months ended June 30, 2024, the Company repurchased 176,680 shares of common stock at an average price of $18.10 for an aggregate cost of $3,198,000. As of June 30, 2024, the Company is authorized to repurchase up to $6,386,000 of shares through December 31, 2025.

During the three and six months ended June 30, 2023, the Company repurchased 309,153 shares of common stock at an average price per share of $18.87 for an aggregate cost of $5,836,000.

Per Share Data

Basic earnings per share is determined by dividing net income applicable to common stockholders for the applicable period by the weighted average number of shares of common stock outstanding during such period. Net income is also allocated to the unvested restricted stock outstanding during each period, as the restricted stock is entitled to receive dividends and is therefore considered a participating security. The RSUs are excluded from the basic earnings per share calculation as they are not participating securities.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into shares of common stock or resulted in the issuance of shares of common stock that share in the earnings of the Company. Diluted earnings per share is determined by dividing net income applicable to common stockholders for the applicable period by the weighted average number of shares of common stock deemed to be outstanding during such period.

In calculating diluted earnings per share, the Company includes only those shares underlying the RSUs that it anticipates will vest based on management's estimates as of the end of the most recent quarter. The Company excludes any shares underlying the RSUs from such calculation if their effect would have been anti-dilutive. The following table provides a reconciliation of the numerator and denominator of earnings per share calculations (amounts in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator for basic and diluted earnings per share:				
Net (loss) income	$ (2,309)	$ 11,238	$ (5,445)	$ 7,176
Deduct net income attributable to non-controlling interests	(36)	(36)	(71)	(72)
Deduct (loss) allocated to unvested restricted stock	(120)	(561)	(285)	(349)
Net (loss) income available for common stockholders: basic and diluted	$ (2,465)	$ 10,641	$ (5,801)	$ 6,755
Denominator for basic earnings per share:				
Weighted average number of common shares outstanding	17,737,452	18,155,062	17,681,514	18,110,508
Effect of dilutive securities:				
RSUs	—	65,752	—	47,296
Denominator for diluted earnings per share:				
Weighted average number of shares	17,737,452	18,220,814	17,681,514	18,157,804
Earnings (loss) per common share, basic	$ (0.13)	$ 0.59	$ (0.30)	$ 0.37
Earnings (loss) per common share, diluted	$ (0.13)	$ 0.58	$ (0.30)	$ 0.37

Note 4 - Leases

Lessor Accounting

The Company owns a commercial building in Yonkers, NY leased to two retail tenants under operating leases expiring from 2028 to 2035, with tenant options to extend the leases. Revenues from such leases are reported as rental income, net, and are comprised of (i) lease components, which includes fixed lease payments and (ii) non-lease components, which includes reimbursements of property level operating expenses. The Company does not separate non-lease components from the related lease components, as the timing and pattern of transfer are the same, and accounts for the combined component in accordance with ASC 842.

Rental revenue from multi-family properties is recorded when due from residents and is recognized monthly as it is earned. Rental payments are due in advance. Leases on residential properties are generally for terms that do not exceed one year.

Lessee Accounting

The Company is a lessee under a ground lease in Yonkers, NY which is classified as an operating lease. The ground lease expires on June 30, 2045. There are no renewal options. As of June 30, 2024, the remaining lease term is 21.0 years.

The Company is a lessee under a corporate office lease in Great Neck, New York, which is classified as an operating lease. The lease expires on December 31, 2031 and provides a five-year renewal option. As of June 30, 2024, the remaining lease term, including renewal options deemed exercised, is 12.5 years.

As of June 30, 2024, the Company's Right of Use ("ROU") assets and lease liabilities were $2,092,000 and $2,242,000, respectively. As of December 31, 2023, the Company's ROU assets and lease liabilities were $2,183,000 and $2,318,000, respectively.

The discount rate applied to measure each ROU asset and lease liability is based on the Company's incremental borrowing rate ("IBR"). The Company considers the general economic environment and its historical borrowing rate activity and factors in various financing and asset specific adjustments to ensure the IBR is appropriate to the intended use of the underlying lease. As the Company did not elect to apply the hindsight practical expedient, lease term assumptions determined under ASC 840 were carried forward and applied in calculating the lease liabilities recorded under ASC 842. The Company's ground lease offers a renewal option which it assesses against relevant economic factors to determine whether it is reasonably certain of exercising or not exercising the option. Lease payments associated with renewal periods that the Company is reasonably certain will be exercised, if any, are included in the measurement of the corresponding lease liability and ROU asset.

Note 5 - Real Estate Properties

Real estate properties, consists of the following (dollars in thousands):

	June 30, 2024	December 31, 2023
Land	$ 74,246	$ 74,246
Building	616,979	616,979
Building improvements	28,466	25,110
Real estate properties	719,691	716,335
Accumulated depreciation	(93,400)	(80,499)
Total real estate properties, net	$ 626,291	$ 635,836

A summary of real estate properties owned is as follows (dollars in thousands):

	December 31, 2023 Balance	Improvements	Depreciation	June 30, 2024 Balance
Multi-family	$ 634,045	$ 3,303	$ (12,846)	$ 624,502
Retail shopping center and other	1,791	53	(55)	1,789
Total real estate properties	$ 635,836	$ 3,356	$ (12,901)	$ 626,291

Note 6 - Restricted Cash

Restricted cash represents funds held for specific purposes and are therefore not available for general corporate purposes. The restricted cash reflected on the consolidated balance sheets represents funds that are held by the Company specifically for capital improvements at certain multi-family properties owned by unconsolidated joint ventures.

Note 7 – Investment in Unconsolidated Ventures

At June 30, 2024 and December 31, 2023, the Company held interests in unconsolidated joint ventures that own eight multi-family properties (the "Unconsolidated Properties"), one which was in development at December 31, 2023. The condensed balance sheets below present information regarding such properties (dollars in thousands):

	June 30, 2024	December 31, 2023
ASSETS		
Real estate properties, net of accumulated depreciation of $75,768 and $69,970	$ 324,214	$ 275,874
Cash and cash equivalents	5,374	6,447
Other assets (1)	7,418	54,715
Total Assets	$ 337,006	$ 337,036
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages payable, net of deferred costs of $986 and $1,135	$ 250,584	$ 246,966
Accounts payable and accrued liabilities	10,657	8,751
Total Liabilities	261,241	255,717
Commitments and contingencies		
Equity:		
Total unconsolidated joint venture equity	75,765	81,319
Total Liabilities and Equity	$ 337,006	$ 337,036
BRT's interest in joint venture equity	$ 32,178	$ 34,242

(1) Includes $46,508 of work -in-process related to the Stono Oaks development at December 31, 2023. As of June 30, 2024 this property has been placed in service.

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At the indicated dates, real estate properties of the unconsolidated joint ventures consist of the following (dollars in thousands):

	June 30, 2024	December 31, 2023
Land	$ 46,331	$ 46,331
Building	344,546	291,473
Building improvements	9,105	8,040
Real estate properties	399,982	345,844
Accumulated depreciation	(75,768)	(69,970)
Total real estate properties, net	$ 324,214	$ 275,874

At June 30, 2024 and December 31, 2023, the weighted average interest rate on the mortgages payable is 4.38% and 4.32%, respectively, and the weighted average remaining term to maturity is 4.4 years and 5.0 years, respectively.

The condensed income statements below present information regarding the Unconsolidated Properties (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Rental and other revenue	$ 11,294	$ 11,476	$ 21,918	$ 23,608
Total revenues	11,294	11,476	21,918	23,608
Expenses:				
Real estate operating expenses	5,438	5,137	10,884	10,812
Interest expense	2,832	2,390	5,610	4,845
Depreciation	2,905	2,558	5,798	5,265
Total expenses	11,175	10,085	22,292	20,922
Total revenues less total expenses	119	1,391	(374)	2,686
Other equity earnings	3	3	21	116
Gain on insurance recoveries	—	—	—	65
Gain on sale of real estate	—	38,418	—	38,418
Loss on extinguishment of debt	—	(561)	—	(561)
Net income (loss)	$ 122	$ 39,251	$ (353)	$ 40,724
BRT's equity in earnings and equity in earnings from sale of unconsolidated joint venture properties	$ 389	$ 15,208	$ 617	$ 16,023

Joint Venture Sale

On May 12, 2023, the unconsolidated joint venture in which the Company had a 50% equity interest sold Chatham Court and Reflections, a 494-unit multi-family property located in Dallas, TX, for a sales price of $73,000,000. The gain on the sale of this property was $38,418,000 and BRT's share of the gain was $14,744,000. In connection with the sale, mortgage debt of $25,405,000 with 4.98 years of remaining term to maturity and bearing an interest rate of 4.01% was repaid and the joint venture incurred $561,000 from the loss on the extinguishment of debt, of which the Company's share was $212,000.

Note 8 – Debt Obligations

Debt obligations consist of the following (dollars in thousands):

	June 30, 2024	December 31, 2023
Mortgages payable	$ 424,834	$ 426,436
Junior subordinated notes	37,400	37,400
Credit facility	—	—
Deferred financing costs (1)	(3,831)	(4,266)
Total debt obligations, net of deferred costs	$ 458,403	$ 459,570

(1) Excludes $182 and $289 of deferred financing costs related to the credit facility which are reflected in other assets at June 30, 2024 and December 31, 2023 respectively.

Mortgages Payable

At June 30, 2024, the weighted average interest rate on the Company's mortgage payables was 4.02% and the weighted average remaining term to maturity is 6.5 years. For the three months ended June 30, 2024 and 2023, interest expense, which includes amortization of deferred financing costs, was $4,686,000 and $4,743,000, respectively. For the six months ended June 30, 2024 and 2023, interest expense, which includes amortization of deferred financing costs, was $9,385,000 and $9,289,000, respectively.

.*Credit Facility*

On July 9, 2024, the Company's credit facility, with an affiliate of Valley National Bank ("VNB"), was amended to, among other things, reduce the borrowing capacity from $60,000,000 to $40,000,000, extend the facility's maturity from September 2025 to September 2027 and revise certain financial and other covenants.The facility allows the Company to borrow, subject to compliance with borrowing base requirements and other conditions, up to $40,000,000. The facility can be used to facilitate the acquisition of multi-family properties, repay mortgage debt secured by multi-family properties and for operating expenses *(i.e.*, working capital (including dividend payments)); provided that no more than $25,000,000 may be used for operating expenses. The facility is secured by the cash available at VNB and the Company's pledge of the interests in the entities that own the properties, and matures in September 2027.

The interest rate on the credit facility, which adjusts monthly and is subject to a floor of 6.0%, equals one-month term SOFR plus 250 basis points. The interest rate in effect as of June 30, 2024 is 7.83%. There is an unused facility fee of 0.25% per annum on the total amount committed by VNB and unused by the Company. At June 30, 2024, the Company is in compliance in all material respects with its obligations under the facility.

At June 30, 2024 and December 31, 2023, there was no outstanding balance on the facility and at each such date, $60,000,000 was available to be borrowed. Interest expense, which includes amortization of deferred financing costs and unused fees, for the three months ended June 30, 2024 and 2023, was $92,000 and $91,000, respectively. Interest expense for the six months ended June 30, 2024 and 2023, which includes amortization of deferred financing costs and unused fees was $184,000 and $391,000, respectively. The remaining deferred financing costs of $182,000 and $289,000, are recorded as Other Assets on the Consolidated balance sheets at June 30, 2024 and December 31, 2023, respectively.

Junior Subordinated Notes

At June 30, 2024 and December 31, 2023, the outstanding principal balance of the Company's junior subordinated notes was $37,400,000, before deferred financing costs of $247,000 and $257,000, respectively. The interest rate on outstanding balance resets quarterly and is equal to three month term SOFR + 2.26%. The interest rate in effect at June 30, 2024 and 2023 was 7.59% and 7.30%, respectively. The interest rate that will be in effect for the three months beginning July 30, 2024 is 7.52%.

The junior subordinated notes require interest only payments through the maturity date of April 30, 2036, at which time repayment of the outstanding principal and unpaid interest become due. Interest expense for the three months ended June 30, 2024 and 2023, which includes amortization of deferred financing costs, was $722,000 and $679,000, respectively. Interest expense for the six months ended June 30, 2024 and 2023, which includes amortization of deferred financing costs, was $1,454,000 and $1,316,000, respectively.

Note 9 – Related Party Transactions

The Company has retained certain of its part-time executive officers and Fredric H. Gould, a director, among other things, to participate in the Company's multi-family property analysis and approval process (which includes service on an investment committee), provide investment advice, and provide long-term planning and consulting with executives and employees with respect to other business matters, as required. The aggregate fees incurred for these services in each of the three months ended June 30, 2024 and 2023 were $405,000 and $385,000, respectively and $810,000 and $770,000 for the six months ended June 30, 2024 and 2023, respectively.

Management of certain properties owned by the Company and certain joint venture properties is provided by Majestic Property Management Corp. ("Majestic Property"), a company wholly owned by Fredric H. Gould. Certain of the Company's officers and management directors are also officers and directors of Majestic Property. Majestic Property may also provide real estate brokerage and construction supervision services to these properties. These fees amounted to $8,000 and $10,000 for the three months ended June 30, 2024 and 2023 and $17,000 and $16,000 for the six months ended June 30, 2024 and 2023, respectively.

Pursuant to a shared services agreement between the Company and several affiliated entities, including Gould Investors L.P. ("Gould Investors"), the owner and operator of a diversified portfolio of real estate and other assets, and One Liberty Properties, Inc., a NYSE listed equity REIT, (i) the services of the part- time personnel that perform certain executive, administrative, legal, accounting and clerical functions and (ii) certain facilities and other resources, are provided to the Company by other entities. The allocation of expenses for the facilities, personnel and other resources shared by, among others, the Company and Gould Investors, is determined in accordance with such agreement and is included in general and administrative expense on the consolidated statements of operations. During the three months ended June 30, 2024 and 2023, allocated general and administrative expenses reimbursed by the Company to Gould Investors pursuant to the shared services agreement aggregated $141,000 and $165,000, respectively and $361,000 and $337,000 for the six months ended June 30, 2024 and 2023, respectively. Jeffrey A. Gould and Matthew J. Gould, executive officers and directors of the Company, are executive officers of Georgetown Partners, LLC, the managing general partner of Gould Investors.

Note 10 – Fair Value Measurements

The Company estimates the fair value of financial assets and liabilities based on the framework established in fair value accounting guidance. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The hierarchy described below prioritizes inputs to the valuation techniques used in measuring the fair value of assets and liabilities. This hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable inputs to be used when available. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

• Level 1— inputs to the valuation methodology are quoted prices (unadjusted) for identical assets and liabilities in active markets
• Level 2— inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
• Level 3— inputs to the valuation methodology are unobservable and significant to fair value.

<u>Financial Instruments Not Carried at Fair Value</u>

The following methods and assumptions were used to estimate the fair value of each class of financial instruments that are not recorded at fair value on the consolidated balance sheets:

Cash and cash equivalents, restricted cash, accounts receivable (included in other assets), accounts payable and accrued liabilities: The carrying amounts reported in the balance sheets for these instruments approximate their fair value due to the short term nature of these accounts.

Junior subordinated notes: At June 30, 2024 and December 31, 2023, the estimated fair value of the notes is lower than their carrying value by approximately $3,540,000 and $3,613,000, respectively, based on a market interest rate of 8.59% and 8.60%, respectively. The Company values its junior subordinated notes using a discounted cash flow analysis on the expected cash flows of each instrument.

Mortgages payable: At June 30, 2024, the estimated fair value of the Company's mortgages payable is lower than their carrying value by approximately $36,987,000, assuming market interest rates between 5.58% and 6.36%. At December 31, 2023, the estimated fair value of the Company's mortgages payable was lower than their carrying value by approximately $34,195,000, assuming market interest rates between 4.88% and 6.23%. Market interest rates were determined using rates which the Company believes reflects institutional lender yield requirements at the balance sheet dates. The Company values its mortgages payable using a discounted cash flow analysis on the expected cash flows of each instrument.

Considerable judgment is necessary to interpret market data and develop estimated fair value. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The fair value of debt obligations are considered to be Level 2 valuations within the fair value hierarchy.

Note 11 – Commitments and Contingencies

From time to time, the Company and/or its subsidiaries are parties to legal proceedings that arise in the ordinary course of business, and in particular, personal injury claims involving the operations of the Company's properties. Although management believes that the primary and umbrella insurance coverage maintained with respect to such properties is sufficient to cover claims for compensatory damages, many of these personal injury claims also assert claims for exemplary (*i.e,* punitive) damages. Generally, insurance does not cover claims for exemplary damages.

Note 12 – New Accounting Pronouncements

On January 1, 2024, the Company adopted the FASB ASU No. 2023-07, *Segment Reporting – Improvements to Reportable Segments Disclosures*, which enhances disclosures of significant segment expenses regularly provided to the chief operating decision maker. This adoption did not have any impact on its consolidated financial statements.

Note 13 – Subsequent Events

Subsequent events have been evaluated and any significant events, relative to our consolidated financial statements as of June 30, 2024, that warrant additional disclosure, have been included in the notes to the consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (the "Quarterly Report"), together with other statements and information publicly disseminated by us, contains certain forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends concerning matters that are not historical facts. Forward looking statements are generally identifiable by use of words such as "may," "will," "will likely result," "shall," "should," "could," "believe," "expect," "intend," "anticipate," "estimate," "project," "apparent," "experiencing," or similar expressions or variations thereof.

Forward-looking statements contained in this Quarterly Report are based on our beliefs, assumptions and expectations of our future performance taking into account the information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or within our control, and which could materially affect actual results, performance or achievements. Factors which may cause actual results to vary from our forward-looking statements include, but are not limited to:

- inability to generate sufficient cash flows due to unfavorable economic and market conditions (*e.g.*, inflation, volatile interest rates and the possibility of a recession), changes in supply and/or demand, competition, uninsured losses, changes in tax and housing laws or other factors;
- adverse changes in real estate markets, including, but not limited to, the extent of future demand for multifamily units in our significant markets, barriers of entry into new markets which we may seek to enter in the future, limitations on our ability to increase or collect rental rates, competition, our ability to identify and consummate attractive acquisitions and dispositions on favorable terms, and our ability to reinvest sale proceeds in a manner that generates favorable returns;
- general and local real estate conditions, including any changes in the value of our real estate;
- decreasing rental rates or increasing vacancy rates;
- challenges in acquiring or investing in multi-family properties (including challenges in (i) buying properties directly without the participation of joint venture partners and (ii) making alternative investments in multi-family properties, and the limited number of multi-family property investment/acquisition opportunities available to us), which transactions may not be completed or may not produce the cash flows or income expected;
- the competitive environment in which we operate, including competition that could adversely affect our ability to acquire properties and/or limit our ability to lease apartments or increase or maintain rental rates;
- exposure to risks inherent in investments in a single industry and sector;
- the concentration of our multi-family properties in the Southeastern United States and Texas, which makes us more susceptible to adverse developments in those markets;
- increases in expenses over which we have limited control, such as real estate taxes, insurance costs and utilities, due to inflation and other factors;
- impairment in the value of real estate we own;
- failure of property managers to properly manage properties;
- accessibility of debt and equity capital markets;
- disagreements with, or misconduct by, joint venture partners;
- inability to obtain financing at favorable rates, if at all, or refinance existing debt as it matures due to the level and volatility of interest or capitalization rates or capital market conditions

- extreme weather and natural disasters such as hurricanes, tornadoes and floods;
- lack of or insufficient amounts of insurance to cover, among other things, losses from catastrophes;
- risks associated with acquiring value-add multi-family properties, which involves greater risks than more conservative approaches;
- the condition of Fannie Mae or Freddie Mac, which could adversely impact us;
- changes in Federal, state and local governmental laws and regulations, including laws and regulations relating to taxes and real estate and related investments;
- our failure to comply with laws, including those requiring access to our properties by disabled persons, which could result in substantial costs;
- board determinations as to timing and payment of dividends, if any, and our ability or willingness to pay future dividends;
- our ability to satisfy the complex rules required to maintain our qualification as a REIT for federal income tax purposes;
- possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by us or a subsidiary owned by us or acquired by us;
- our dependence on information systems and risks associated with breaches of such systems;
- disease outbreaks and other public health events, and measures that are taken by federal, state, and local governmental authorities in response to such outbreaks and events;
- impact of climate change on our properties or operations;
- risks associated with the stock ownership restrictions of the Internal Revenue Code of 1986, as amended (the "Code") for REITs and the stock ownership limit imposed by our charter; and
- the other factors described in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report") including those set forth in such report under the captions *"Item 1. Business," "Item 1A. Risk Factors,"* and *"Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations"*.

We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this report. Except to the extent otherwise required by applicable law or regulation, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the filing of this report or to reflect the occurrence of unanticipated events thereafter.

Overview

We are an internally managed real estate investment trust, also known as a REIT, that owns, operates and, to a lesser extent, holds interests in joint ventures that own and operate multi-family properties. At June 30, 2024, we: (i) wholly-own 21 multi-family properties with an aggregate of 5,420 units and a carrying value of $624.5 million; (ii) have ownership interests, through unconsolidated entities, in eight multi-family properties with 2,527 units and a carrying value of $32.1 million; and (iii) own other assets, through consolidated and unconsolidated subsidiaries, with a carrying value of $1.8 million. The 29 properties are located in 11 states; most of the properties are located in the Southeast United States and Texas.

Challenges and Uncertainties as a Result of the Uncertain Economic Environment; Pursuit of Joint Venture Acquisition and Alternative Investment Opportunities

As more fully described (i) in our Annual Report, and in particular, the sections thereof entitled "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* and (ii) below, we face challenges (*e.g*., inflation, volatile interest rates and rental rates decreases) due to the uncertain economic environment, which may limit our ability or willingness (i) to acquire properties, (ii) grow rental income or (iii) control our real estate operating expenses, some of which, such as real estate tax and insurance expense, we have a very limited ability to control.

In light of the challenging acquisition environment and the limited funds available to us to acquire properties, we are pursuing (i) alternative investments in the multi-family property arena, such as rescue capital, which includes preferred equity investments (*e.g.,* an investment entitling us to a fixed rate of return prior to distributions to more junior investors) or bridge loans (*e.g.*, a loan secured by a first mortgage on the subject property) and/or (ii) the acquisition of multi-family properties through joint ventures. We do not anticipate that in the near term, these type of investments (other than joint ventures already included in our portfolio), will constitute a significant part of our portfolio, and can provide no assurance that such investments will be profitable for us.

Credit facility

On July 9, 2024, we and an affiliate of Valley National Bank ("VNB"), amended our credit facility to, among other things, reduce the borrowing capacity from $60 million to $40 million, extend the facility's maturity from September 2025 to September 2027 and revise certain financial and other covenants. We reduced the amount available under the facility in connection with obtaining approximately $28 million of seven-year mortgage debt (the “Financing”) on our Woodland Trails – LaGrange, Georgia property. We anticipate that the Financing will be completed in August 2024, will bear a fixed interest rate of 5.22%, will be interest only until maturity in 2031 and that as a result of the Financing, we will incur additional interest expense of approximately $1.5 million per year. We anticipate using the proceeds from the Financing to invest in multi-family properties (including the alternative investments described above) and for general corporate purposes (which may include repurchases of our common stock). Such proceeds will be invested initially in short-term US Treasury securities until they are applied. In connection with this amendment, we paid the lender aggregate fees of approximately $375,000.

Share repurchases

During the quarter ended June 30, 2024, we repurchased 53,619 shares of common stock at an average price of $17.34 for an aggregate of $930,000. After giving effect to these purchases, we are authorized to repurchase up to $6.4 million of additional shares of our common stock,

Bells Bluff-West Nashville, Tennessee

This property (“Bells Bluff”) has experienced, and continues to experience, competitive pressure due to the completion of construction of similar or higher-quality multi-family properties in Nashville. To maintain occupancy levels, we have offered, and will continue to offer, short-term rent concessions and/or reduced rental rates. As a result, Bells Bluff's operating results have been adversely impacted. Although the rent concessions we are currently offering are less significant than those offered during the quarter ended June 30, 2024, we continue to offer such concessions and reduced rental rates. We believe that due, among other things, to its vibrant economy, that over-time, the Nashville market will absorb the excess rental capacity, although we can provide no assurance in this regard.

Results of Operations

Three months ended June 30, 2024 compared to three months ended June 30, 2023.

As used herein, the term "same store properties" refers to operating properties that were wholly owned for the entirety of the periods presented. For the three months ended June 30, 2024 and 2023, all of the properties in our consolidated portfolio are same store properties.

Revenues

The following table compares our revenues for the periods indicated:

	Three Months Ended June 30,			
(Dollars in thousands):	2024	2023	Increase (Decrease)	% Change
Rental and other revenue from real estate properties	$ 23,778	$ 23,255	$ 523	2.2 %
Interest and other income	84	63	21	N/M
Total revenues	$ 23,862	$ 23,318	$ 544	2.3 %

Rental and other revenue from real estate properties

The change was primarily due to the following increases:

- $413,000 due to an increase in amortization of deferred rent concessions;
- $343,000 due to an increase in rental rates across most of the portfolio; and
- $117,000 from ancillary income (*i.e.*, utilities reimbursement, late fees, cancellation fees, etc. ("Ancillary Income")).

The increase was offset by a $276,000 decrease in rental income at Bells Bluff.

Expenses

The following table compares our expenses for the periods indicated:

	Three Months Ended June 30,			
(Dollars in thousands)	**2024**	**2023**	**Increase (Decrease)**	**% Change**
Real estate operating expenses	$ 10,846	$ 10,548	$ 298	2.8 %
Interest expense	5,500	5,513	(13)	(0.2)%
General and administrative	3,813	3,848	(35)	(0.9)%
Depreciation and amortization	6,466	7,543	(1,077)	(14.3)%
Total expenses	$ 26,625	$ 27,452	$ (827)	(3.0)%

Real estate operating expense.

The change is due primarily to an increase of (i) $319,000 in insurance premiums at two properties and (ii) $115,000 due to increased real estate tax accruals - we anticipate that through the balance of 2024, these accruals will be similarly higher than such accruals in 2023. The increase was offset by a $124,000 decrease in repairs and maintenance.

Depreciation and amortization

The decrease is due primarily to a decline in depreciation related to lease intangibles from properties where we purchased our partners' interests in 2022.

Equity in earnings of unconsolidated joint ventures

Equity in earnings from unconsolidated joint ventures decreased $75,000 to $389,000 for the three months ended June 30, 2024, from $464,000 for the three months ended June 30, 2023. The decrease is due primarily to:

- $189,000 in charges from Stono Oaks - Johns Island, SC ("Stono Oaks") which was previously in development, but which was placed in service in 2024 and as of June 30, 2024, is approximately 37% leased. Accordingly, interest and certain other expenses (which previously had been capitalized) and depreciation, are now being expensed.
- the loss of $159,000 of income from Chatham Court and Reflections which was sold in May 2023 (the Chatham Sale").

The decrease was offset primarily by the inclusion, in the corresponding period in 2023, of a $212,000 early extinguishment of debt charge related to the Chatham Sale.

Equity in earnings from sale of unconsolidated joint venture properties

In the three months ended June 30, 2023, we recognized a gain of $14.7 million from the Chatham Sale. There was no similar gain in 2024.

Insurance recovery of casualty loss

During the quarter ended June 30, 2023, we received $215,000 in insurance proceeds as reimbursement for expenses incurred related to a winter storm in December 2022. There was no similar recovery in the corresponding period in 2024.

Income tax (benefit) provision

Income tax (benefit) provision in the three months ended ended June 30, 2024, decreased $116,000 from the three months ended June 30, 2023 due to our recognition, in the current three months, of a $164,000 franchise tax refund from a property due to a change in Tennessee law. In July 2024, we received $374,000 related to another property in Tennessee, and will recognize such sum in the quarter ending September 30, 2024.

Results of Operations

Six Months Ended June 30, 2024 compared to six months ended June 30, 2023.

As used herein, the term "same store properties" refers to operating properties that were wholly owned for the entirety of the periods presented. For the six months ended June 30, 2024 and 2023, all of our properties in our consolidated portfolio are same store properties.

Revenues

The following table compares our revenues for the periods indicated:

(Dollars in thousands):	Six Months Ended June 30, 2024	2023	Increase (Decrease)	% Change
Rental and other revenue from real estate properties	$ 47,076	$ 46,194	$ 882	1.9 %
Other income	189	63	126	200.0 %
Total revenues	$ 47,265	$ 46,257	$ 1,008	2.2 %

Rental and other revenue from real estate properties

The change was due to the following increases:

- $876,000 due to an increase in rental rates across most of the portfolio,
- $413,000 due to an increase in amortization of deferred rent concessions; and
- $136,000 in Ancillary Income.

The increase was offset by:

- a $277,000 decrease due to a decline in occupancy across most of the portfolio, and
- a $256,000 decrease in rental income at Bells Bluff.

Other income

The increase is due primarily to the impact of rising interest rates on our cash balances.

Expenses

The following table compares our expenses for the periods indicated:

(Dollars in thousands)	Six Months Ended June 30, 2024	2023	Increase (Decrease)	% Change
Real estate operating expenses	$ 21,425	$ 20,982	$ 443	2.1 %
Interest expense	11,023	10,996	27	0.2 %
General and administrative	7,965	7,903	62	0.8 %
Depreciation and amortization	12,901	15,551	(2,650)	(17.0)%
Total expenses	$ 53,314	$ 55,432	$ (2,118)	(3.8)%

Real estate operating expense

The increase is due to (i) $378,000 in increased insurance premiums primarily at two properties; and (ii) $287,000 due to increased real estate tax accruals- we anticipate that these accruals through the balance of 2024, will be similarly higher than such accruals in 2023.

The increase was offset by $322,000 decrease in repairs and maintenance and the inclusion, in the corresponding 2023 period, of $116,000 of expense related to the December 2022 blizzard.

Depreciation and amortization

The increase is due primarily to the decline in depreciation related to lease intangibles from properties where we purchased our partners' interests in 2022.

Equity in earnings of unconsolidated joint ventures

Equity in earnings from unconsolidated joint ventures declined to $617,000 for the six months ended June 30, 2024 from $1.3 million for the six months ended June 30, 2023. The decline is due to:

- $420,000 in charges from Stono Oaks; and
- the loss of income of $397,000 from the Chatham Sale.

The decrease was offset primarily by the inclusion, in the corresponding period in 2023, of a $212,000 early extinguishment of debt charge that resulted from the Chatham Sale.

Equity in earnings from sale of unconsolidated joint venture properties

In the six months ended June 30, 2023, we recognized a gain of $14.7 million from the Chatham Sale. There was no comparable gain in the corresponding period in 2024.

Insurance recovery of casualty loss

During the six months ended June 30, 2023, we received $215,000 in insurance proceeds as reimbursement for expenses incurred related to a winter storm in December 2022. There was no similar recovery in the corresponding period in 2024.

Gain on insurance recoveries

During the six months ended June 30, 2024, we received a $240,000 payment, representing the final payment made by the insurance carrier with respect to damage we sustained at The Woodland Apartments - Boerne, TX in 2021.

Income tax (benefit) provision

Income tax (benefit) provision in the six months ended ended June 30, 2024, decreased $114,000 from the six months ended June 30, 2023 due to our recognition, in the current six month period, of a $164,000 franchise tax refund due to a change in Tennessee law. In July 2024, we received $374,000 related to another property in Tennessee and will recognize such sum in the quarter ending September 30, 2024.

Liquidity and Capital Resources

We require funds to pay operating expenses and debt service obligations, acquire and/or invest in properties (including alternative investments), make capital and other improvements, fund capital contributions, and pay dividends. Generally, our primary sources of capital and liquidity are the operations of our multi-family properties (including distributions from the operations of the unconsolidated multi-family properties), mortgage debt financings and re-financings, the issuance of shares of our common stock pursuant to our dividend reinvestment program, borrowings from our credit facility and our available cash. At August 1, 2024, our available liquidity was $54.7 million, including $14.7 million of cash and cash equivalents and $40 million available under our credit facility.

We anticipate that from July 1, 2024 through December 31, 2027, our operating expenses, $111.1 million of mortgage amortization and interest expense (including $44.0 million from unconsolidated joint ventures and excluding the approximate $1.5 million of additional annual interest expense associated with the Financing), $15.4 million and $128.3 million of balloon payments with respect to mortgages maturing in 2025 and 2026, respectively (including $58.7 million maturing in 2026 from unconsolidated joint ventures), estimated capital expenditures (for the remainder of 2024 only) of $2.9 million, interest expense on our junior subordinated notes, estimated cash dividend payments of at least $65.5 million (assuming (i) the current quarterly dividend rate of $0.25 per share and (ii) 18.7 million shares outstanding), will be funded from cash generated from operations (including distributions from unconsolidated joint ventures), property sales, the Financing, obtaining mortgage debt on two unencumbered properties (*i.e*., Avondale Station - Decatur GA and Avalon - Pensacola, FL) and, to the extent available, our credit facility. Our operating cash flow and available cash is insufficient to fully fund the $143.7 million of balloon payments due through 2026, and if we are unable to refinance such debt on acceptable terms, we may need to issue additional equity or dispose of properties, in each case on potentially unfavorable terms.

Our ability to acquire or invest in additional multi-family property opportunities and implement value-add projects is limited by our available cash and our ability to (i) draw on our credit facility, (ii) obtain, on acceptable terms, mortgage debt from lenders, and (iii) raise capital from the sale of our common stock.

At June 30, 2024, we had mortgage debt of $677.5 million (including $251.6 million of mortgage debt at of our unconsolidated subsidiaries). The mortgage debt at our: (i) consolidated properties had a weighted average interest rate of 4.02% and a weighted average remaining term to maturity of approximately 6.5 years, and (ii) at our unconsolidated subsidiaries had a weighted average interest rate of 4.38% and a remaining term to maturity of approximately 4.4 years.

Junior Subordinated Notes

As of June 30, 2024, $37.4 million (excluding deferred costs of $247,000) in principal amount of our junior subordinated notes is outstanding. These notes mature in April 2036, contain limited covenants (including covenants prohibiting us from paying dividends or repurchasing capital stock if there is an event of default (as defined therein) on these notes), are redeemable at our option and bear an interest rate, which resets and is payable quarterly, at a rate of three-month term SOFR plus 250 basis points. At June 30, 2024 and 2023, the interest rate on these notes was 7.59% and 7.30%, respectively. The interest rate that will be in effect for the three months ending October 30, 2024 is 7.52%.

Credit Facility

Our credit facility with VNB New York, LLC, an affiliate of Valley National Bank (collectively, "VNB"), as amended in July 2024, allows us to borrow, subject to compliance with borrowing base requirements and other conditions, up to $40 million, (i) for the acquisition of, and investment in, multi-family properties, (ii) to repay mortgage debt secured by multi-family properties and (iii) for Operating Expenses (*i.e.*, working capital (including dividend payments) and operating expenses); provided, that not more than $25 million may be used for Operating Expenses. The credit facility is secured by cash accounts maintained by us at VNB (and we are required to maintain substantially all of our bank accounts at VNB), and the pledge of our interests in the entities that own the unencumbered multi-family properties used in calculating the borrowing base. The credit facility bears an annual interest rate, which resets monthly, equal to one-month term SOFR plus 250 basis points, with a floor of 6.00%. There is an annual fee of 0.25% on the total amount committed by VNB and unused by us. The credit facility matures in September 2027. Net proceeds received from the sale, financing or refinancing of our properties are generally required to be used to repay amounts outstanding on the facility. As of August 1, 2024, there was no outstanding balance on the credit facility and $40 million is available to be borrowed thereunder. The interest rate in effect at August 1, 2024 is 7.85%

The terms of the credit facility include certain restrictions and covenants which, among other things, limit the incurrence of liens, require that we maintain and include in the collateral securing the facility at least two unencumbered properties with an aggregate value(as calculated pursuant to the facility) of at least $50 million, and require compliance with financial ratios relating to, among other things, maintaining a minimum tangible net worth of $140 million, the minimum amount of debt service coverage with respect to the properties (and amounts drawn on the credit facility) used in calculating the borrowing base. Net proceeds received from the sale, financing or refinancing of wholly-owned properties are generally required to be used to repay amounts outstanding under the credit facility.

At June 30, 2024, we were in compliance in all material respects with the requirements of the facility.

Other Financing Sources and Arrangements

At June 30, 2024, we are joint venture partners in unconsolidated joint ventures which own eight multi-family properties and the distributions to us from these joint venture properties of $1.3 million in the quarter ended June 30, 2024 contributed to our liquidity and cash flow. Further, we may be required to make significant capital contributions with respect to these properties. At June 30, 2024, these joint venture properties have a net-equity carrying value of $32.2 million and are subject to mortgage debt, which is not reflected on our consolidated balance sheet, of $251.6 million. Although BRT Apartments Corp. is not the obligor with respect to such mortgage debt, the loss of any of these properties due to mortgage foreclosure or similar proceedings would have a material adverse effect on our results of operations and financial condition. See note 7 to our consolidated financial statements.

Cash Distribution Policy

We have elected to be treated as a REIT under the Internal Revenue Code of 1986, as amended, which we refer to as the “Code.” To qualify as a REIT, we must meet a number of organizational and operational requirements, including a requirement that we distribute to our stockholders within the time frames prescribed by the Code at least 90% of our ordinary taxable income. Management currently intends to maintain our REIT status. As a REIT, we generally will not be subject to corporate Federal income tax on taxable income we distribute to stockholders in accordance with the Code. If we fail to qualify as a REIT in any taxable year, we will be subject to Federal income taxes at regular corporate rates and may not be able to qualify as a REIT for four subsequent tax years. Even if we qualify for Federal taxation as a REIT, we are subject to certain state and local taxes on our income and to Federal income and excise taxes on undistributed taxable income (*i.e*., taxable income not distributed in the amounts and in the time frames prescribed by the Code).

On July 9, 2024, we paid a quarterly cash dividend of $0.25 per share to holders of record of our common stock as of the close of business on June 25, 2024.

We carefully monitor our discretionary spending. Our largest recurring discretionary expenditure has been our quarterly dividend (which was $0.25 per share of common stock, or in the approximate amount of $4.7 million, for the most recent quarter). Each quarter, our board of directors evaluates the timing and amount of our dividend based on its assessment of, among other things, our short and long- term cash and liquidity requirements, prospects, debt maturities, projections of our REIT taxable income, net income, funds from operations, and adjusted funds from operations.

Application of Critical Accounting Estimates

A complete discussion of our critical accounting estimates is included in our Annual Report. There have been no changes in such estimates.

Funds from Operations, Adjusted Funds from Operations and Net Operating Income

We disclose below funds from operations (“FFO”), adjusted funds from operations (“AFFO”) and net operating income ("NOI") because we believe that such metrics are a widely recognized and appropriate measure of the performance of an equity REIT.

We compute FFO in accordance with the “White Paper on Funds From Operations” issued by the National Association of Real Estate Investment Trusts (“NAREIT”) and NAREIT’s related guidance. FFO is defined in the White Paper as net income (calculated in accordance with GAAP), excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, impairment write-downs of certain real estate assets and investments in entities where the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect funds from operations on the same basis. In computing FFO, we do not add back to net income the amortization of costs in connection with our financing activities or depreciation of non-real estate assets.

We compute AFFO by adjusting FFO for the loss of extinguishment of debt, our straight-line rent and rental concession accruals, restricted stock and RSU compensation expense, fair value adjustment of mortgage debt, gain on insurance recovery, insurance recovery from casualty loss and deferred mortgage and debt costs (including, in each case as applicable, from our share from our unconsolidated joint ventures). Since the NAREIT White Paper only provides guidelines for computing FFO, the computation of AFFO may vary from one REIT to another.

We believe that FFO and AFFO are useful and standard supplemental measures of the operating performance for equity REITs and are used frequently by securities analysts, investors and other interested parties in evaluating equity REITs, many of which present FFO and AFFO when reporting their operating results. FFO and AFFO are intended to exclude GAAP historical cost depreciation and amortization of real estate assets, which assumes that the carrying value of real estate assets diminishes predictably over time. In fact, real estate values have historically risen and fallen with market conditions. As a result, we believe that FFO and AFFO provide a performance measure that when compared year over year, should reflect the impact to operations from trends in occupancy rates, rental rates, operating costs, interest costs and other matters without the inclusion of depreciation and amortization, providing a perspective that may not be necessarily apparent from net income. We also consider FFO and AFFO to be useful to us in evaluating potential property acquisitions.

FFO and AFFO do not represent net income or cash flows from operations as defined by GAAP. FFO and AFFO should not be considered to be an alternative to net income as a reliable measure of our operating performance; nor should FFO and AFFO be considered an alternative to cash flows from operating, investing or financing activities (as defined by GAAP) as measures of liquidity. FFO and AFFO do not measure whether cash flow is sufficient to fund all of our cash needs, including principal amortization and capital improvements. FFO and AFFO do not represent cash flows from operating, investing or financing activities as defined by GAAP.

Management recognizes that there are limitations in the use of FFO and AFFO. In evaluating our performance, management is careful to examine GAAP measures such as net income and cash flows from operating, investing and financing activities.

The tables below provides a reconciliation of net loss determined in accordance with GAAP to FFO and AFFO on a dollar and per share basis for each of the indicated periods (dollars in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP Net (loss) income attributable to common stockholders	$ (2,345)	$ 11,202	$ (5,516)	$ 7,104
Add: depreciation and amortization of properties	6,466	7,543	12,901	15,551
Add: our share of depreciation in unconsolidated joint venture properties	1,373	1,302	2,740	2,678
Deduct: our share of equity in earnings from sale of unconsolidated joint venture properties	—	(14,744)	—	(14,744)
Adjustments for non-controlling interests	(4)	(4)	(8)	(8)
NAREIT Funds from operations attributable to common stockholders	5,490	5,299	10,117	10,581
Adjustments for: straight-line rent and rent concession accruals	(388)	25	(363)	44
Adjustments for: our share of straight-line rent and rent concession accruals from unconsolidated joint venture properties	(60)	—	(60)	—
Add: our share of loss on extinguishment of debt from unconsolidated joint venture properties	—	212	—	212
Add: amortization of restricted stock and RSU expense	1,090	1,193	2,432	2,603
Add: amortization of deferred mortgage and debt costs	271	275	542	527
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	30	27	60	54
Add: amortization of fair value adjustment for mortgage debt	139	154	282	311
Less: gain on insurance recoveries	—	—	—	(240)
Less: our share of gain on insurance recoveries from unconsolidated joint venture properties	—	—	—	(30)
Adjustments for non-controlling interests	(4)	(4)	(8)	(7)
Adjusted funds from operations attributable to common stockholders	$ 6,568	$ 7,181	$ 13,002	$ 14,055

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP Net (loss) income attributable to common stockholders	$ (0.13)	$ 0.58	$ (0.30)	$ 0.36
Add: depreciation and amortization of properties	0.35	0.40	0.69	0.82
Add: our share of depreciation in unconsolidated joint venture properties	0.07	0.07	0.15	0.14
Deduct: our share of equity in earnings from sale of unconsolidated joint venture properties	—	(0.77)	—	(0.77)
Adjustment for non-controlling interests	—	—	—	—
NAREIT Funds from operations per diluted common share	0.29	0.28	0.54	0.55
Adjustments for: straight line rent and rent concession accruals	(0.02)	—	(0.02)	—
Adjustments for: our share of straight-line rent and rent concession accruals in unconsolidated joint venture properties				
Add: loss on extinguishment of debt	—	—	—	—
Add: our share of loss on extinguishment of debt from unconsolidated joint venture properties	—	0.01	—	0.01
Add: amortization of restricted stock and RSU expense	0.06	0.06	0.13	0.13
Add: amortization of deferred mortgage and debt costs	0.01	0.01	0.03	0.03
Add: our share of deferred mortgage and debt costs from unconsolidated joint venture properties	—	—	—	—
Add: amortization of fair value adjustment for mortgage debt	0.01	0.01	0.02	0.02
Less: gain on insurance recoveries	—	—	—	(0.01)
Less: our share of gain on insurance recoveries from unconsolidated joint venture properties	—	—	—	—
Adjustments for non-controlling interests	—	—	—	—
Adjusted funds from operations per diluted common share	$ 0.35	$ 0.37	$ 0.70	$ 0.73
Diluted shares outstanding for FFO and AFFO	18,699,000	19,174,000	18,640,000	19,171,000

Three Months Ended June 30, 2024 and 2023

FFO for the three months ended June 30, 2024, increased from the corresponding quarter in the prior year primarily due to (i) an increase in amortization of deferred rent concessions, (ii) the inclusion, in the corresponding 2023 period, of the early extinguishment of debt charge and (iii) the Tennessee franchise tax refund in 2024. This increase was offset primarily due to the Chatham Sale, the increase in real estate operating expenses and the inclusion, in the three months ended June 30, 2023, of an insurance recovery from a casualty loss.

AFFO for the three months ended June 30, 2024 decreased from the corresponding period in the prior year primarily due to the factors contributing to the decrease in FFO other than the early extinguishment of debt charge and the amortization of deferred rent concessions.

Diluted per share FFO and AFFO were favorably impacted in the three months ended June 30, 2024 by a 475,000 net decrease in the current quarter from the corresponding quarter in the prior year in the weighted average shares of common stock outstanding, primarily due to stock buybacks.

See "-*Results of Operations - Three Months Ended June 30, 2024 compared to three months ended June 30, 2023*", for a discussion of these changes.

Six Months Ended June 30, 2024 and 2023

FFO for the six months ended June 30, 2024 decreased from the corresponding period in the prior year primarily due to the Chatham Sale, the increase in real estate operating expenses, an increase in cash compensation expense due to higher salary levels and the inclusion, in the six months ended June 30, 2023, of an insurance recovery of casualty loss. The decrease was offset by an increase, in 2024, in amortization of deferred rent concessions, by the inclusion, in the corresponding period of 2023, of the early extinguishment of debt charge and, in 2024, a decrease in charges associated with restricted stock units (RSUs) as certain performance metrics were not achieved, a decrease in income tax expense, and an increase in other income.

AFFO for the six months ended June 30, 2024 decreased from the corresponding period in the prior year primarily due to the factors contributing to the decrease in FFO, other than the early extinguishment of debt charge, the charges associated with the RSUs, the 2023 insurance recovery of casualty loss and amortization of deferred rent concessions.

Diluted per share FFO and AFFO were favorably impacted in the six months ended June 30, 2024 by a 531,000 net decrease in the current quarter from the corresponding quarter in the prior year in the weighted average shares of common stock outstanding, primarily due to stock buybacks.

See "-*Results of Operations - Six Months Ended June 30, 2024 compared to six months ended June 30, 2023*", for a discussion of these changes.

Net Operating Income, or NOI, is a non-GAAP measure of performance. NOI is used by our management and many investors to evaluate and compare the performance of our properties to other comparable properties, to determine trends at our properties and to determine the estimated fair value of our properties. The usefulness of NOI may be limited in that it does not take into account, among other things, general and administrative expense, interest expense, loss on extinguishment of debt, casualty losses, insurance recoveries and gains or losses as determined by GAAP. NOI is a property specific performance metric and does not measure our performance as a whole.

We compute NOI, by adjusting net income (loss) to (a) add back (1) depreciation expense, (2) general and administrative expenses, (3) interest expense, (4) loss on extinguishment of debt, (5) equity in earnings (loss) from sale of unconsolidated joint venture properties, (6) provision for taxes, and (7) the impact of non-controlling interests, and (b) deduct (1) other income, (2) gain on sale of real estate, (3) insurance recovery of casualty loss, and (4) gain on insurance recoveries related to casualty loss. Other REIT's may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REIT's. We believe NOI provides an operating perspective not immediately apparent from GAAP operating income or net income (loss). NOI is one of the measures we use to evaluate our performance because it (i) measures the core operations of property performance by excluding corporate level expenses and other items unrelated to property operating performance and (ii) captures trends in rental housing and property operating expenses. However, NOI should only be used as an alternative measure of our financial performance.

The following table provides a reconciliation of net income attributable to common stockholders as computed in accordance with GAAP to NOI of our consolidated properties for the periods presented (dollars in thousands):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
GAAP Net (loss) income attributable to common stockholders	$ (2,345)	$ 11,202	$ (13,547)	$ (5,516)	$ 7,104	$ (12,620)
Less: Other Income	(84)	(63)	(21)	(189)	(63)	(126)
Add: Interest expense	5,500	5,513	(13)	11,023	10,996	27
General and administrative	3,813	3,848	(35)	7,965	7,903	62
Depreciation and amortization	6,466	7,543	(1,077)	12,901	15,551	(2,650)
Provision for taxes	(65)	51	(116)	13	127	(114)
Equity in earnings from sale of unconsolidated joint venture properties	—	(14,744)	14,744	—	(14,744)	14,744
Insurance recovery	—	(215)	215	— —	(215)	215
Less: Gain on insurance recoveries	—	—	—	—	(240)	240
Adjust for: Equity in (earnings) loss of unconsolidated joint venture properties	(389)	(464)	75	(617)	(1,279)	662
Add: Net income attributable to non-controlling interests	36	36	—	71	72	(1)
Net Operating Income	$ 12,932	$ 12,707	$ 225	$ 25,651	$ 25,212	$ 439
Less: Non-same store Net Operating Income	251	255	(4)	521	522	(1)
Same store Net Operating Income	$ 12,681	$ 12,452	$ 229	$ 25,130	$ 24,690	$ 440

For the three months ended June 30, 2024, NOI increased $225,000 from the corresponding period in 2023 primarily due to a $413,000 increase in amortization of deferred rent concessions and a net $343,000 increase in rental revenue in the overall portfolio. The increase was offset by a $276,000 decrease in rental income at Bells Bluff and a $297,000 increase in real estate operating expenses. See *"-Results of Operations - Three Months Ended June 30, 2024 Compared to the Three Months ended June 30, 2023 "* for a discussion of these changes.

For the six months ended June 30, 2024, NOI increased $439,000 from the corresponding period in 2023 primarily due to a $845,000 increase in rental revenue at most of our properties, a $413,000 increase in amortization of deferred rent concessions offset by a $443,000 increase in real estate operating expenses and a $376,000 decrease in rental income at Bells Bluff. See *"-Results of Operations - Six Months Ended June 30, 2024 Compared to the Six Months ended June 30, 2023 "* for a discussion of these changes.

Item 3. Quantitative and Qualitative Disclosures About Market Risks

All of our mortgage debt bears interest at fixed rates. Our junior subordinated notes bear interest at the rate of three month term SOFR plus 226 basis points. At June 30, 2024, the interest rate on these notes was 7.59%. Our credit facility bears interest at the rate of one month term SOFR plus 250 basis points. There was no balance outstanding on the credit facility at June 30, 2024. A 100 basis point increase in interest rates would increase our related interest expense by approximately $374,000 annually and a 100 basis point decrease in the rates would decrease our related interest expense by $374,000 annually.

Item 4. Controls and Procedures

As required under Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, we carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer, Senior Vice President-Finance and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of June 30, 2024. Based upon that evaluation, these officers concluded that as of June 30, 2024 our disclosure controls and procedures were effective.

There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

From time to time, we are party to legal proceedings that arise in the ordinary course of our business, and in particular, personal injury claims involving the operations of our properties. Although we believe that the primary and umbrella insurance coverage maintained with respect to our properties is sufficient to cover claims for compensatory damages, many of these personal injury claims also assert exemplary(*i.e* punitive) damages. Generally, insurance does not cover claims for exemplary damages and we may be adversely affected if claims for exemplary damages are asserted successfully. See Note 11 of our Consolidated Financial Statements.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchase of Equity Securities

The following table summarizes purchases of common stock by us during the three months ended June 30, 2024:

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 - April 30, 2024	—	—	—	$ 7,316,072
May 1 - May 31, 2024	24,929	$ 17.28	$ 24,929	$ 6,885,361
June 1 - June 30, 2024	28,690	17.40	28,690	$ 6,386,094
Total	53,619		$ 53,619	

The following table summarizes purchases of our common stock during the three months ended June 30, 2024 by Gould Investors L.P. (Gould Investors may be deemed to be an "affiliated purchaser" (as such term is used in Rule 10b-18(a)(3) promulgated under the Exchange Act) of the Company. Jeffrey A. Gould and Matthew J. Gould, our executive officers and the managers of the managing general partner of Gould Investors, filed Form 4's with respect to such purchases):

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Cost
April 1 - April 30, 2024	121,428	$16.89	$ 2,050,690
May 1 - May 31, 2024	—	—	—
June 1 - June 30, 2024	—	—	—
Total	121,428		$ 2,050,690

Item 5. Other Information

None of our officers or directors had any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" in effect at any time during the three months ended June 30, 2024.

Item 6. Exhibits

Exhibit No.	Title of Exhibits
10.1	Third amendment dated as of July 9, 2024 to the Amended and Restated Loan Agreement made as of November 18, 2021, as amended, by and between us and VNB New York, LLC(incorporated by reference to Exhibit 10.1 filed on July 15, 2024 with our Current Report on Form 8-K).
10.2*	Form of Performance Award Agreement for RSU grants in 2024 pursuant to the 2024 Incentive Plan.
31.1	Certification of President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Senior Vice President—Finance pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.3	Certification of Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of President and Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Senior Vice President—Finance pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.3	Certification of Vice President and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Statements of Comprehensive Income (Loss), (iv) Consolidated Statements of Equity, (v) Consolidated Statements of Cash Flows and (vi) Notes to Consolidated Financial Statements. XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
104	Cover Page Interactive Date File (formatted as inline XBRL and contained in Exhibit 101)

* Management contract of compensatory plan or agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BRT APARTMENTS CORP.

August 9, 2024	/s/ Jeffrey A. Gould
	Jeffrey A. Gould, President and Chief Executive Officer
August 9, 2024	/s/ George Zweier
	George Zweier, Vice President and Chief Financial Officer (principal financial officer)

Exhibit 10.2

PERFORMANCE AWARDS AGREEMENT
BRT APARTMENTS CORP.

Name of Participant:

Number of AFFO Units:

Number of Initial TSR Units:

Grant Date: July 16, 2024

THIS PERFORMANCE AWARDS AGREEMENT (the “Agreement”), is made as of the grant date set forth above (the “Grant Date”) between BRT Apartments Corp., a Maryland corporation (the “Company”), and the participant identified above (the “Participant”).

WHEREAS, the Compensation Committee of the Board of Directors (“Committee”) has determined to grant, pursuant to BRT Apartments Corp. 2024 Incentive Plan (the “Plan”), to the Participant (i) Performance Awards in the form of performance based restricted stock units (“RSUs”) payable upon the attainment by the Company over the Performance Cycle of the Performance Criteria established by the Committee as set forth herein and (ii) cash settled dividend equivalent rights, which are granted in tandem with the RSUs.

WHEREAS, these awards are subject to forfeiture and vesting as set forth herein.

NOW THEREFORE, the parties hereby agree as follows:

1. Incorporation of the Plan; Definitions. The Participant acknowledges receipt of the Plan, the Prospectus dated June 11, 2024, the Prospectus Supplement dated the Grant Date and the Clawback Policy (as defined in Section 12 of this Agreement). All provisions of this Agreement and the rights of a Participant hereunder are subject in all respects to the provisions of the Plan and the powers of the Committee provided therein and herein. Capitalized terms used without being defined herein shall have the meanings given to such terms in the Plan or Exhibit A annexed hereto.

2. Administration. The Performance Awards shall be administered by the Committee with the powers and authority set forth in the Plan.

3. Terms of the Awards. (a) Unless otherwise forfeited in accordance with this Agreement, including pursuant to Section 7 hereof, the number of Shares underlying RSUs that vest will be based on (i) compounded annual growth rate in AFFO and (ii) compounded annual growth rate in TSR, in each case as measured over the Performance Cycle. The number of RSUs that vest based on satisfaction of the compound annual growth rate in TSR is subject to adjustment based on a comparison of the Company’s compound annual growth rate in TSR to the compound annual growth rate of the Peer Group.

(b) As soon as practicable after the Units become vested and non-forfeitable, but in no event later than March 15 following the calendar year of vesting, the Participant shall receive one share (the “Share” or “Shares”) of Company common stock (the “Common Stock”) for each vested Unit. In the event that a fraction of a Share would be issued, the number of Shares to be issued shall be rounded to the nearest whole share, and all calculations hereunder shall be rounded to the nearest hundredth. Any delivery of Shares under this Agreement may be made by means of a credit of Shares in book entry form.

4. TSR Units Vesting on the Basis of Compound Annual Growth Rate in TSR. (a) The number of Initial TSR Units that vest based on compound annual growth rate in TSR over the Performance Cycle will be determined in accordance with the following table:

		Compound Annual Growth Rate in TSR		
	Null	**Threshold**	**Target**	**Maximum**
	<5%	**5%**	**8%**	**11% and above**
Percentage of Initial TSR Units that Vest	**0**	**25**	**50**	**100**

(b) In the event that compound annual growth rate in TSR falls between two levels in the above table, a *pro rata* number of Initial TSR Units will vest.

(c) In the event that the compound annual growth rate in TSR is in the: (i) top quartile of the corresponding growth rate of its Peer Group over the corresponding period, the number of Additional TSR Units that vest shall equal 25% of the Initial TSR Units that vest (the “Peer Group Addition”); and (ii) bottom quartile of the corresponding growth rate of its Peer Group over the corresponding period, the number of Initial TSR Units that vest pursuant to Section 4(a) shall be reduced by 25% (the “Peer Group Diminution”; and together with the Peer Group Addition, the “Peer Group Adjustment”).

5. AFFO Units Earned on the Basis of the Compound Annual Growth Rate in AFFO. The number of AFFO Units that vest based on compound annual growth rate in AFFO over the Performance Cycle will be determined in accordance with the following table:

		Compound Annual Growth Rate in AFFO		
	Null	**Threshold**	**Target**	**Maximum**
	<4%	**4%**	**6%**	**8% and above**
Percentage of AFFO Units that Vest	**0**	**25**	**50**	**100**

The base AFFO which shall be used in measuring whether the applicable compound annual growth rate is achieved shall be the AFFO for the 12 months ended June 30, 2024 and the concluding AFFO shall be the AFFO for the 12 months ending June 30, 2027. In the event that such growth rate in AFFO falls between two levels in the above table, a *pro rata* number of AFFO Units will vest.

6. Vesting Determinations.

(a) Promptly following June 30, 2027 (or within 60 days of a DDR Event and contemporaneously with a Change in Control), the Committee shall perform or cause to be performed, the necessary calculations to determine the number of RSUs earned by the Participant pursuant to Sections 4 and 5, as applicable.

(b) The Participant shall have no rights to RSUs that vest pursuant to Sections 4 and 5, as applicable, above until the number of such RSUs are determined by the Committee.

7. Forfeiture. Upon a termination, prior to June 30, 2027, of the Participant's status as a Participant for any reason other than a DDR Event or Change in Control, all Units that have not vested shall immediately terminate and be forfeited without consideration. Any RSUs that do not vest will, without payment of any consideration by the Company, automatically and without notice terminate, be forfeited and be and become null and void as of 5:00 pm, New York City Time on June 30, 2027, and neither the Participant nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Units or the underlying Shares.

8. Vesting Upon the Occurrence of a DDR Event or Change in Control.

(a) Notwithstanding the forfeiture provisions of this Agreement, including Section 7 hereof, upon the occurrence of a:

(i) DDR Event, a *pro rata* portion of Initial TSR Units and AFFO Units, as applicable, shall vest, but only with respect to Units that would otherwise have vested at the end of the Performance Cycle; and

(ii) Change in Control, (A) if the effective date is after December 31, 2025, the Initial TSR Units and AFFO Units shall vest upon such effective date, and (B) occurs prior to or on December 31, 2025, a *pro rata* portion of Initial TSR Units and AFFO Units shall vest upon such Change in Control, unless the Committee in its discretion, determines to vest all such Units, without proration.

(b) The number of Initial TSR Units that vest pursuant to Section 8(a) hereof will be subject to the Peer Group Adjustment which will be measured, with respect to a:

(i) DDR Event, as of the end of the Performance Cycle; and

(ii) Change in Control, on the effective date thereof.

(c) For the purposes of this Section 8, the *pro rata* portion of Initial TSR Units and AFFO Units that vest shall equal the product obtained by multiplying the Initial TSR Units and AFFO Units, as applicable, by a fraction, the numerator of which is the number of days during the period beginning July 1, 2024 and ending on the DDR Event or the effective date of the Change in Control, as applicable, and the denominator of which is 1,095.

9. Restrictions on Transfer. None of the RSUs granted hereunder shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law (each such action a "Transfer") until after the date that such RSUs vest. Any attempted Transfer of RSUs not in accordance with the terms and conditions of this Agreement shall be null and void, and the Company shall not reflect on its records any change in record ownership of any RSUs as a result of any such Transfer, and shall not in any way give effect to any such Transfer of any RSUs. This Agreement is personal to the Participant, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

10. Rights as a Stockholder; Dividend Equivalents.

(a) The Participant shall not have any rights of a stockholder with respect to the Shares underlying the RSUs unless and until the Units vest and are settled in Shares.

(b) The Participant shall not be entitled to receive any dividend equivalent payments with respect to the Shares underlying the RSUs unless and until such RSUs vest. Within 60 days following the date on which the RSUs vest, the Company will pay the Participant in respect of each RSUs that has vested, an amount in cash equal to the aggregate amount of cash dividends that would have been paid in respect of the Shares underlying such vested RSUs had such Shares been issued and outstanding during the period from the first day of the Performance Cycle through the date immediately preceding the settlement of the shares underlying the vested RSUs.

11. Taxes. The Participant shall be liable for any and all taxes, including withholding taxes, arising out of this grant, the vesting of RSUs and the issuance of Shares hereunder.

12. Claw-back. The Participant acknowledges and agrees that the grant of this Award, the issuance of Shares and the payment of amounts pursuant to dividend equivalent rights, is subject to the applicable provisions of any claw-back policy implemented by the Company, whether implemented prior to or after the grant of such awards, including without limitation, the Company’s Clawback Policy effective as of October 2, 2023, as amended from time-to-time (the “Clawback Policy”).

13. Miscellaneous

(a) Neither this Agreement nor the granting or vesting of RSUs shall confer upon the Participant any right to continue as an officer, director, employee of or consultant to, the Company or an affiliate, nor shall it interfere in any way with the right of the Company or an affiliate to terminate Participant’s relationship with the Company at any time and for any reason whatsoever.

(b) The parties agree to execute such further documents and instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.

(c) This Award shall be governed by the laws of the State of Maryland (without regard to its choice of law principles) and applicable Federal law.

(d) Except as otherwise provided herein, in any event of any conflict between the provisions of the Plan and the provisions of this Award, the provisions of the Plan shall govern.

(e) Subject to the terms of the Plan, the Committee has the right to amend this Agreement, prospectively or retroactively; provided that no such amendment or alteration shall adversely affect Participant's material rights under this Agreement without Participant's consent and pursuant to a writing executed by the parties hereto which specifically states that it is amending this Agreement.

(f) Subject to Section 12, this Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter hereof.

(g) In calculating *pro rata* amounts as contemplated by Sections 4(a) and 5, the two metrics closest to the actual result will be used (*e.g.*, if compounded annual growth rate in AFFO is 5%, then the threshold and target metrics will be used in determining the *pro rata* number of AFFO Units that vest).

This Agreement has been executed and delivered by the parties as of the date hereof.

BRT APARTMENTS CORP.

By: ________________________
David W. Kalish
Senior Vice President

____
Signature of Participant

____
Name of Participant

(24/BRT Performance Award/Final Master RSU-Performance Award June)

EXHIBIT A

Definitions

Capitalized terms used without being defined herein shall have the means ascribed to such terms by the Plan.

“Additional TSR Units” means the units so denominated at the beginning of this Agreement.

“AFFO” means adjusted funds from operations as presented in the Company’s filings with the Securities and Exchange Commission.

“AFFO Units” means the units so denominated at the beginning of this Agreement.

“DDR Event” means the death, Disability or Retirement of the Participant.

“Initial TSR Units” means the units so denominated at the beginning of this Agreement.

“Peer Group” means the constituents of FTSE NAREIT Equity Apartment Index that have been included in such index for the entirety of the Performance Cycle; *provided, however,* that (i) a constituent of the Peer Group will be excluded from the TSR calculations if on the last day of the Performance Cycle such company is under a definitive agreement to be acquired or merged out of existence during the next 12 months and/or (ii) if a constituent of the Peer Group ceases to be actively traded, due, for example, to merger or bankruptcy or the Committee otherwise reasonably determines that it is no longer suitable for the purposes of this Agreement, then the Committee, in its reasonable discretion, may select a comparable company to be added to the Peer Group or may determine not to select a replacement company to be added to the Peer Group and thus reduce the number of companies in the Peer Group.

“Performance Criteria” means the criteria described in Section 4 and/or Section 5 of this Agreement, as applicable.

“Performance Cycle” means the period from July 1, 2024 through June 30, 2027.

“TSR” means total stockholder return over the Performance Cycle as calculated by a third-party (the “Expert”) selected by the Committee which calculation, except as otherwise provided herein, shall be made as customarily calculated for publicly traded REITs. In calculating TSR:

(i) the beginning share price is $17.50, representing the volume weighted average price of the Common Stock for the 20 trading days (the “VWAP”) ending June 28, 2024 (*i.e.,* the last trading day before the beginning of the Performance Cycle).

(ii) the ending share price is the VWAP of the Common Stock for the 20 trading days ending on the last trading day of the Performance Cycle.

(iii) dividends are reinvested in additional Shares on the ex-dividend date for such dividend at the closing price of a share of Common Stock; and

(iv) the prices for the Common Stock shall be as reported on the NYSE Consolidated Tape, or if such pricing is unavailable, on the principal exchange on which the Common Stock is then traded.

(v) The TSR for the Peer Group over the Performance Cycle shall be calculated in the same manner as TSR is calculated.

"RSUs" means the AFFO Units and the TSR Units.

EXHIBIT 31.1
CERTIFICATION

I, Jeffrey A. Gould, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2024

/s/ Jeffrey A. Gould
Jeffrey A. Gould
President and
Chief Executive Officer

EXHIBIT 31.2
CERTIFICATION

I, David W. Kalish, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

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Date: August 9, 2024

/s/ David W. Kalish
David W. Kalish
Senior Vice President - Finance

EXHIBIT 31.3

CERTIFICATION

I, George Zweier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2024

/s/ George Zweier

George Zweier
Vice President and
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, Jeffrey A. Gould, do hereby certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge, based upon a review of the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp. (“the Registrant”), as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: August 9, 2024

/s/ Jeffrey A. Gould
Jeffrey A. Gould
President and
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION OF SENIOR VICE PRESIDENT-FINANCE

PURSUANT TO 18 U.S.C. SECTION 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, David W. Kalish, do hereby certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge, based upon a review of the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp. ("the Registrant"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

Date: August 9, 2024

/s/ David W. Kalish
David W. Kalish
Senior Vice President - Finance

EXHIBIT 32.3

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, George Zweier, do hereby certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge, based upon a review of the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of BRT Apartments Corp. ("the Registrant"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.

Date: August 9, 2024

/s/ George Zweier
George Zweier
Vice President and
Chief Financial Officer